Saskatchewan
Ministry of
Agriculture

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending August 23, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	-	-	-
400-500	150-175	157.25	+3.42
500-600	146-167	154.70	+2.95
600-700	140-165	150.63	+6.80
700-800	135-157	145.86	+4.03
800-900	131-149	140.40	+2.65
900+	123-144	134.88	-0.87

Heifers

	Range	Average	Change from last week
300-400	133-152	140.50	-1.17
400-500	130-155	136.63	-0.12
500-600	130-148	139.80	+2.80
600-700	129-147	137.70	+5.40
700-800	124-144	133.30	+1.92
800+	119-140	129.19	+0.36

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that a total of 6,726 head of cattle were sold in Saskatchewan this week, up from 4,494 head marketed the previous week.

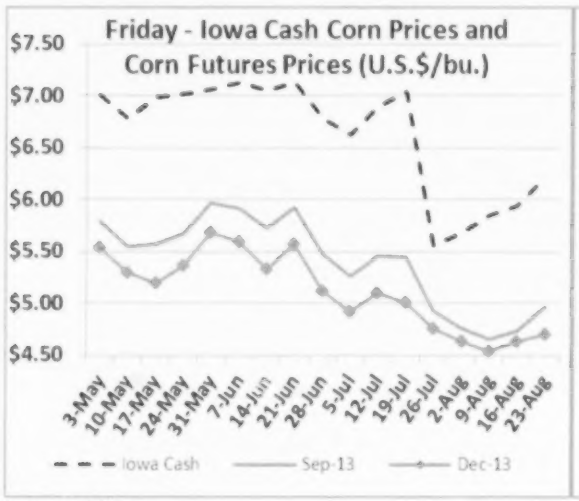
Feeder cattle prices were mostly higher over the week. Feeder steers in all classes below 900 lb. traded higher while feeder steers in the 900+ category were $0.87 per cwt lower over the week. Average prices for feeder steers in the 400 lb. to 900 lb. categories ranged from $2.65 per cwt to $6.80 per cwt higher over the week. Feeder steers in the 600-700 lb. weight class traded the highest increasing $6.80 per cwt.

Feeder heifers were mostly higher except for the light weight feeder heifers. Feeder heifers below 500 lb. decreased between $0.12 per cwt and $1.17 per cwt, while feeder heifers above 500 lb. increased between $0.36 per cwt and $5.40 per cwt. The feeder heifers in the 600-700 lb. category had the largest gain on the week increasing $5.40 per cwt.

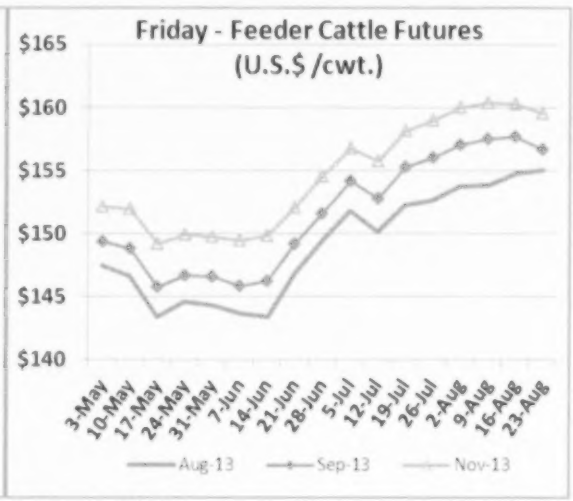
The Saskatchewan 750 lb. feeder steer basis compared to the August 22, 2013 U.S. feeder cattle index at US$155.59 per cwt was calculated at -$17.52 per cwt (US$155.59/0.9523 - $145.86), a basis widening of $1.82 per cwt from -$15.70 per cwt the previous week.

Feeder cattle futures prices were mostly lower over the week with the September to November contracts down between US$0.775 and US$1.025 per cwt, while the nearby August contract had a slight gain for the week. The September contract settled at US$156.650 per cwt while the November contract settled the week at US$159.525 per cwt. Corn prices moved higher over the week putting negative pressure on the fall feeder cattle futures contracts.

Live cattle futures prices moved lower over the week after several weeks of upward momentum. The August to December 2013 live cattle futures contracts decreased from US$0.800 per cwt to US$1.225 per cwt, week-over-week. The October contract settled at US$126.700 per cwt while the December contract settled the week at US$129.225 per cwt.



Source: CME



Source: CME

Corn prices ended higher, week-over-week. Iowa cash corn prices were up about 28 cents per bushel while the September and December 2013 corn futures contracts increased 7 and 22 cents per bushel, week-over-week. Corn prices moved higher on concerns over hot and dry weather in the U.S. Midwest which could potentially cause a reduction in corn production.

Fed and Non-fed Cattle

	August 23	August 16	Change
Cows (Alberta)			
D1,2 Live	82.42	82.65	-0.23
D3 Live	74.07	73.63	+0.44
Rail	156.00-161.00	156.00-161.00	+0.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were slightly lower from the previous week with D1,2 slaughter cows decreasing $0.23 per cwt to average $82.42 per cwt, while D3 slaughter cows increased $0.44 per cwt to average $74.07 per cwt, from last week. Slaughter cow prices continue to be near all-time highs set last summer.

Fed cattle prices in Western Canada edged lower over the week. Fed steers in Alberta were reported to average $118.80 per cwt, down $0.26 per cwt from $119.06 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$124.55 per cwt, up slightly from US$124.14 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$197.25 per cwt, down slightly from US$198.00 per cwt the previous month.

Beef cutout prices continued higher over the week averaging US$195.66 per cwt (Choice 600-900 lb.), up 1.8 per cent from US$192.13 per cwt the previous week. United States beef in cold storage numbers were released on Thursday and beef in cold storage for July 31, 2013 was estimated at 463.9 million lbs., down 3.6 per cent from 481.2 million lbs. on June 1, 2013.

On Friday August 23, 2013, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* for July 1, 2013.

August 1, 2013, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)

	2012	2013	Per cent of previous year
On feed July 1	10,710,000	10,368,000	97
Placed during July	1,922,000	1,722,000	90
Marketed during July	1,913,000	2,000,000	105
Other disappearance during July	63,000	64,000	102
On feed August 1	10,656,000	10,026,000	94

Source: USDA

The USDA Cattle on Feed (COF) report indicated that cattle on feed numbers for July 1, 2013 were 10.368 million head, down 3.2 per cent from 10.710 million head on July 1, 2012, and down 4.5 per cent from 10.739 million head on June 1, 2013. The number of cattle placed on feed in July 2013 was down 10.4 per cent while the number of fed cattle marketed in July was up 4.5 per cent, compared to July 2012. The cattle placements in July were significantly below the actual trade estimates of 97.5 percent. The cattle on feed for August 1, 2013 were estimated at 10.026 million head, 5.9 per cent below August 1, 2012 numbers. The August cattle on feed numbers were below the average trade estimates of 95.8 per cent. The report should be bullish for cattle prices with lower placements in July and reduced cattle on feed as of August 1, 2013.

On Thursday August 22, Statistics Canada released the July 1 cattle inventory numbers. Total cattle inventories on Canadian farms as of July 1, 2013 was estimated at 13.540 million head, up slightly (0.1 per cent) from 13.520 million head July 1, 2012. The cattle inventory increase was the first year-over-year since inventories peaked in 2005. The number of beef heifers held for breeding as of July 1, 2013 were estimated at 673,900 head, up 0.7 per cent from July 1, 2012. Total inventory of beef cows in Canada on July 1, 2013 were estimated at 3.939 million head, down 0.3 per cent from 3.951 million head on July 1, 2012.

In Saskatchewan, total cattle inventory numbers on July 1, 2013 were estimated at 2.890 million head, down 0.5 per cent from 2.905 million head on July 1, 2012. Beef cow inventory numbers for July 1, 2013 were estimated at 1.164 million head, down 1.3 per cent from a year ago

Friday Price Information

Product		This Week (August 23)	Week of: (August 16)
Canadian Dollar (closing rate US$)		.9523	.9672
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		155.59	152.36
Seven-day Weighted Average FC Index Wt. (lb.)		765	769
Live Fed 5-area Steer Price (US$ per cwt)		124.55	124.12
Feed Grains			
Barley	Lethbridge ($/tonne)	203.00	222.00
	($ per bu.)	4.42	4.83
Corn	Iowa State Average (CDN$/tonne)*	257.13	241.78
	(US$ per bu.)	6.22	5.94
	Omaha, NE (CDN$/tonne)*	257.13	245.85
	(US$ per bu.)	6.22	6.04
Futures			
	September Corn (US$ per bu.)	4.95¼	4.73¾
	December Corn (US$ per bu.)	4.70	4.63½
	August Live Cattle (US$ per cwt)	123.100	123.900
	October Live Cattle (US$ per cwt)	126.700	127.925
	August Feeder Cattle (US$ per cwt)	155.000	154.775
	October Feeder Cattle (US$ per cwt)	158.850	159.875

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

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